

FINANCIAL NEWS AND COMMENT

Stocks Firm in Tone—Strike in Coal Regions Sends Spec- ulators to Oil Issues.

The final stock market of last week brought no change in general trading conditions and such irregularity as developed in prices was the normal product of realizing sales. The underlying tone of stocks was firm and speculators seeking new issues responsive to a little buying were successful among several petroleum and automobile shares. The New York Clearing House bank statement was interesting in its suggestion of the money rates of the next few days. The wide spread between loans in the report of actual condition and the amount of demand deposits indicated that much of the funds which had moved away from New York following the March 15 operations had returned and, in addition, the unusually large expansion of \$10,467,000 pointed toward a new accumulation of interior bank balances here. The enlargement of loans, which frequently run close to the growth of demand deposits, was no more than \$64,400,000. As demand deposits in the actual statement were \$97,000,000 greater than in the report of day to day conditions, it was clear that funds had moved to New York in very heavy volume in the last day or two of the banking week. The inference is that offerings of call money will be large to-morrow.

Speculative buying of oil company shares apparently was predicated on possible demands for liquid fuel as the result of the coal strike. Barnard stocks advanced 2 to more than 3 points and upturns of a point or more were registered by California Petroleum, General Asphalt, Houston Oil, Mexican Petroleum and Pacific Oil. Rail issues gave a good account of themselves, and in that connection it is worth noting that the establishment on Friday of a price of 40 by Pennsylvania has strengthened speculative sentiment in relation to shares of several roads which had a dubious earnings outlook six months ago. Pennylanes did not regain yesterday its best quotation of Friday, but advanced a fraction and, at 39%, was more than 6 points higher than its minimum quotation of this year.

The British Government's report on its fiscal condition, showing a surplus of more than £45,000,000 in the year ended with March 31, supplied a reason for the strong recovery of sterling in the last two months. The increase of £16,500,000 from profits taxes of corporations was suggestive of more rigorous imposts than were laid in the United States but, as was expected, heavy fall in excess profits taxes occurred. The Government came through with so favorable a balance primarily because of economies in the last few months of the year, because last autumn Treasury authorities feared a large deficit would have to be provided for.

The foreign exchanges were mainly steady yesterday. Wheat lost some ground under liquidating sales and cotton prices changed very little.

FOREIGN EXCHANGE.

SATURDAY, APRIL 1, 1922.

GREAT BRITAIN.

Saturday, April 1, 1922.

Great Britain.